

Abstract

This invention is a system designed to be used by such companies which have a policy of granting benefits such as discounts to insureds who exercise for health maintenance. More specifically, the invention concerns an exercise monitor which is a means to accurately record exercise results consisting of the amount of exercise the insured himself has performed. The objective of this invention is to provide an exercise monitor which could generate data needed to calculate an insurance premium which would be beneficial and fair to both the insurance company and the insured. To enable the exercise monitor to record accurately only exercise performed by the insured himself, this invention has been given the two basic functions described in the above chart, namely the function of verifying the person's identity and the function of verifying that he is actually wearing the monitor; and it has been given the additional function which allows the user to self-report his encrypted data. Insurance companies might provide their clients with inexpensive exercise monitors like pedometers and encourage them to exercise. If a client wore the pedometer and it recorded results that met given criteria, the insurance company could conclude that he had made an effort to maintain his health and would give him a discount on his insurance premium. In this way the insurance company could provide an inducement for the insured to adopt a more

healthy and active lifestyle. This invention makes it possible to provide a business system to control insurance premiums. If it uses an exercise monitor as described above to accurately record an insured's efforts to maintain his own health, the insurance company will be able to reduce his premium. This advantage will enable the company to assume a dominant position with respect to its competitors.